

Update from the UVM Research Team

to the Payment of Ecosystem Services and Soil Health Working Group

January 18th, 2022



Current effort focus

- Task 3: Farmer Payment Level Survey and Stakeholder Engagement
- **Task 4:** Cost of soil health practices spreadsheet
- Task 7: Approaches to measuring ecosystem services at the whole farm scale
- Task 8: Program Design



Task 3: Stakeholder Engagement

- Farmer survey:
 - Feedback from Conservation Districts, Farmers & working group members
 - Getting good information about payment levels is challenging
 - Goal to refine, and distribute in February
 - Follow-up interviews and focus groups will be necessary for challenging topics
- Focus group with farmers last week on topics of:
 - Survey feedback
 - Alternative forms of compensation
 - Program design & measurement
- Focus groups with farmers and TSPs in March/April

Alternative Compensation



Given financial constraints of any government funded program are there other ways to compensate farmers for the ecosystem services provided?

Tax incentives

- · Current Use enhancements
- · Additional tax reductions or reduced penalties for withdrawal from program
- Government contributions to retirement funds for farmers
- Reductions in workman's comp premiums

Non-Monetary Benefits

- · Access to low interest loans or higher loan limits through gov't agencies
- · FSA loans debt forgiveness
- Increases in rankings for gov't programs like CSP EQIP
- Waiver for health insurance premiums if on state health plan

• Other Potential Compensation Options

- Gov't subsizes high level crop insurance programs 60%-85% for free
- Gov't pay for premiums for farmers to put floors in on milk pricing
- Reduced fines for regulatory violations
- Subsidize eco-friendly infrastructure changes on farms (i.e. Upgrading equipment to new emission standards)
- Payments for Enhanced Practice Implementation strategies (Late termination of cover crops or combining multiple practices to get synergy of ecological benefits)



Task 7: Evaluating GHG at the Whole Farm Scale

- Snowball approach
- SWOT analysis of tools & approaches, starting with:
 - Tools used by NRCS & State of Vermont GWSA
 - IFSM (ARS)
 - Comet Farm (Colorado State)
 - Holos (Canada)
 - LCA (Life cycle analysis, used by Organic Valley)
 - Cool Farm
 - (Please suggest others!)
- Expert Interviews

Thank you.

Please reach out with any questions or ideas!

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